

REVOLVING LOAN FUND PLAN CHECKLIST

The Revolving Loan Fund Plan (Plan) will guide the Intermediary in its operations after it fully revolves its original funding. The Plan must be comprehensive. Policy statements must be clearly set forth to ensure that loans are made to Ultimate Recipients solely for rural job creation and community development projects. Interest earned on loans made from the RLF as well as the Intermediary's 20% matching contribution, must be retained in the Fund to be used for making additional loans.

Check the following items for completeness. In reviewing the plan, does it:

	<u>Yes</u>	<u>No</u>
1. Provide for making loans to eligible entities without restricting loans to Intermediary's service area, as encouraged by REDLG policy?	_____	_____
2. Discuss Intermediary's intent to coordinate its lending activities in a complementary manner with other local financial organizations as encouraged under REDLG policy?	_____	_____
3. Provide that authority for approval or denial of RLF loans rests solely with Intermediary's Board of Directors as required?	_____	_____
4. Contain a provision making any project ineligible where the Intermediary, its official(s), supervisory employee(s), subsidiary, or affiliated organization, has a financial interest in the project or would otherwise create or appear to create conflict of interest?)	_____	_____
5. Tie the loan arrangement to subscribing to electric or telecommunications service from the Intermediary as is prohibited?	_____	_____
6. List types of eligible applicants?	_____	_____
7. List eligible and ineligible loan purposes?	_____	_____
8. Set forth minimum and maximum loan amounts?	_____	_____

9. Limit interest rates to a published prevailing prime rate? _____
10. Discuss fees to be charged (e.g. loan servicing, legal)? _____
12. Provide for reasonable repayment terms? _____
13. Require supplemental financing for each project? _____
14. Discuss security/collateral requirements for each type of loan? _____
15. Describe the application review and selection process indicating that loan approval authority resides solely with the Board of Directors and cannot be delegated to any other entity? _____
16. Describe the Intermediary's procedures for monitoring projects? _____
17. Include a provision that amendments to the RLF plan will not be made without prior written approval of Rural Development Business Programs? _____
18. Include a nondiscrimination policy statement? _____